

# Congress of the United States

Washington, DC 20510

October 4, 2016

The Honorable Andy Slavitt  
Acting Administrator  
Centers for Medicare & Medicaid Services  
U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Dear Acting Administrator Slavitt:

We write to express concerns regarding the Centers for Medicare and Medicaid Services' (CMS) Pre-Claim Review Demonstration (PCRD) that began implementation in Illinois on August 3, 2016. When CMS first proposed to impose the mandatory home health prior authorization demonstration, many of us wrote to your agency to outline concerns about the broad scope of the demonstration, its impact on beneficiary access to services, and the potential impact on Medicare costs due to delays in medically necessary services and readmissions. We appreciate that CMS took into consideration some of these concerns regarding prior authorization and amended the demonstration accordingly. However, seven weeks into the PCRD, the experience of this pilot in Illinois has resulted in severe burdens on patient access to care and provider capacity. We urge CMS to delay further implementation of the PCRD in Illinois, which CMS has already announced they will do for other states.

Under the PCRD, Illinois home health agencies have begun to submit documentation to the state Medicare Administrative Contractor (MAC) earlier in the process of providing patient care to verify that claims requirements are being met. The justification for imposing the mandatory PCRD in Illinois – along with Florida, Massachusetts, Michigan, and Texas – was due to concerns regarding unnecessary utilization and improper payments. We share CMS' interest in identifying Medicare fraud and reducing improper payments, and look forward to continuing to work with your agency to address Medicare home health fraud. We are cognizant of the high rates of Medicare home health fraud that have been identified in Illinois, including in the recent Department of Health and Human Services Inspector General report, which uncovered numerous home health agencies and providers in Illinois whose Medicare claims were characteristic of fraud. However, we remain concerned that implementing the PCRD as presently structured, and without sufficient education and training, jeopardizes the delivery of care to needy beneficiaries.

Illinois' experience under the PCRD has been alarmingly burdensome for home health providers, which is harming patient access to care. Presently, our understanding is that between 60-80 percent of PCRD submissions in Illinois are being non-affirmed by the MAC. This non-affirmation rate is unacceptable, as patients are left without clarity on whether their medically necessary care will be covered. On September 19, 2016, CMS announced that based on Illinois' experience under the PCRD, CMS will postpone the expansion of the demonstration to other

states. While we appreciate the recognition that the current PCRD experience is problematic, CMS must take immediate action to provide relief for Illinois.

In postponing the PCRD expansion to the other states, CMS stated that “additional education efforts will be helpful before expansion of the demonstration to other states.” In Illinois, too many of the non-affirmed claims are being transmitted with generalized responses or without any explanation or guidance from the MAC, which leaves patients and providers with uncertainty on how to rectify their case, and whether care should continue to be furnished if there is no guarantee of paid claims.

We urge CMS to immediately grant the state of Illinois the same PCRD delay that your agency has provided to Florida, Massachusetts, Michigan, and Texas, until education and guidance for home health providers, the state MAC, and patients are improved. If the lessons from Illinois prove that PCRD is not adequately developed for implementation in those states, then our constituents and provider organizations deserve the same consideration.

We appreciate your immediate attention to this matter. We look forward to working together on strengthening oversight and improving program integrity while maintaining quality care for seniors in the most cost-effective, medically appropriate settings. We urge you to consider the negative impact that the PCRD is having in Illinois, and take steps commensurate with those taken for other states to preserve patient access.


Sincerely,



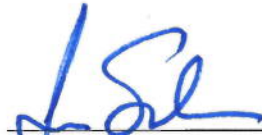
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United States Senator



Mark Kirk  
United States Senator



Cheri Bustos  
United States Representative



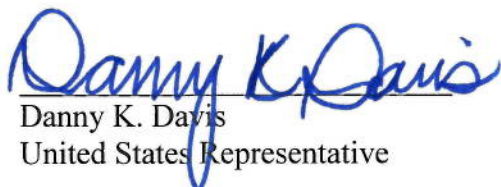
John Shimkus  
United States Representative



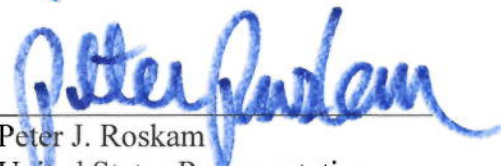
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United States Representative



Rodney Davis  
United States Representative



Danny K. Davis  
United States Representative



Peter J. Roskam  
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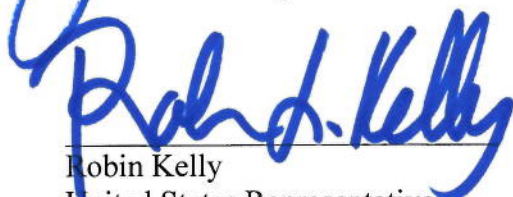




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United States Representative



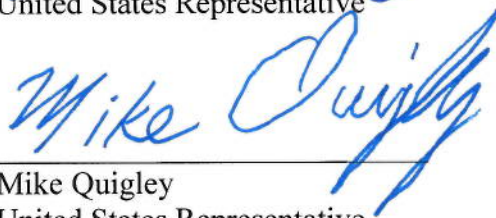
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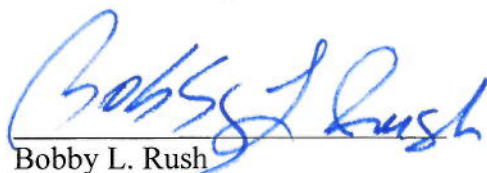
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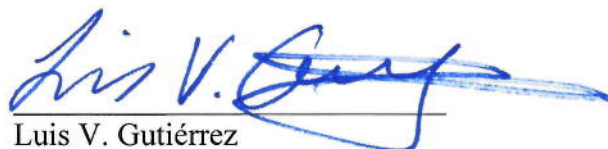
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